

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 7101**

**BILL NUMBER:** HB 1560

**DATE PREPARED:** Dec 31, 1998

**BILL AMENDED:**

**SUBJECT:** Elimination of riverboat cruising requirement.

**FISCAL ANALYST:** Kristin Breen

**PHONE NUMBER:** 232-9567

**FUNDS AFFECTED:** ☒ **GENERAL**  
☒ **DEDICATED**  
**FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill allows gambling to be conducted while a riverboat is docked.

**Effective Date:** July 1, 1999.

**Explanation of State Expenditures:**

**Explanation of State Revenues:** This bill allows gambling to be conducted while a riverboat is docked. This may increase riverboat admission and wagering tax revenue by an indeterminable amount. Of the \$3 riverboat admission tax, \$0.90 is distributed to the following state entities: (1) \$0.65 to the Horse Racing Commission; (2) \$0.15 to the State Fair Commission; and (3) \$0.10 to the Division of Mental Health. A 20% wagering tax is levied on adjusted gross receipts. Seventy-five percent of wagering tax revenue, after the Indiana Gaming Commission's (IGC) administrative expenses are subtracted, is distributed to the Lottery and Gaming Surplus Account (LGSA) within the Build Indiana Fund.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** Of the \$3 riverboat admission tax, \$2.10 is distributed to the following local entities: (1) \$2.00 to the city and/or county in which the riverboat is docked and (2) \$0.10 to the county convention and visitor bureau or promotion fund. Twenty-five percent of riverboat wagering tax revenue, after the IGC's administrative expenses are subtracted, is distributed to the city or county in which the riverboat is docked.

Currently, the following nine riverboats are operational: Casino Aztar in Evansville; Trump Casino and Majestic Star Casino in Gary; Empress Casino in Hammond; Grand Victoria Casino in Rising Sun; Argosy Casino in Lawrenceburg; Showboat Casino in East Chicago; Blue Chip Casino in Michigan City; and Caesar's in Harrison County. A riverboat operator has been granted a certificate of suitability to operate a

riverboat in Switzerland County. The U.S. Army Corps of Engineers will not license a riverboat for Patoka Lake, so the eleventh license is nonfunctional.

**State Agencies Affected:** Indiana Gaming Commission; State Fair Commission; Horse Racing Commission; Division of Mental Health.

**Local Agencies Affected:** Local units of government where a riverboat is or will be docked.

**Information Sources:** State Budget Agency.